

FIRST REGULAR SESSION
[P E R F E C T E D]
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 264
92ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR SHIELDS.

Offered March 18, 2003.

Senate Substitute adopted, March 18, 2003.

Taken up for Perfection March 18, 2003. Bill declared Perfected and Ordered Printed.

TERRY L. SPIELER, Secretary.

0952S.03P

AN ACT

To repeal section 165.016, RSMo, and to enact in lieu thereof one new section relating to salary compliance, with an emergency clause.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 165.016, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 165.016, to read as follows:

165.016. 1. A school district shall expend as a percentage of current operating cost, for tuition, teacher retirement and compensation of certificated staff, a percentage that is for the 1994-95 and 1995-96 school years, no less than three percentage points less than the base school year certificated salary percentage and for the 1996-97 school year, no less than two percentage points less than the base school year certificated salary percentage. A school district may exclude transportation and school safety and security expenditures from the current operating cost calculation of the base year and the year or years for which the compliance percentage is calculated. The base school year certificated salary percentage shall be the two-year average percentage of the 1991-92 and 1992-93 school years except as otherwise established by the state board under subsection 4 of this section; except that, for any school district experiencing, over a period of three consecutive years, an average yearly increase in average daily attendance of at least three percent, the base school year certificated salary percentage may be the two-year average percentage of the last two years of such period of three consecutive years, at the

discretion of the school district.

2. Beginning with the 1997-98 school year, a school district shall:

(1) Expend, as a percentage of current operating cost, as determined in subsection 1 of this section, for tuition, teacher retirement and compensation of certificated staff, a percentage that is no less than two percentage points less than the base school year certificated salary percentage; or

(2) For any year in which no payment of a penalty is required for the district under subsection 6 of this section, have an unrestricted fund balance in the combined incidental and teachers' funds on June thirtieth which is equal to or less than ten percent of the combined expenditures for the year from those funds.

3. Beginning with the 1999-2000 school year:

(1) As used in this subsection, "fiscal instructional ratio of efficiency" or "FIRE" means the quotient of the sum of the district's current operating costs, as defined in section 163.011, RSMo, for all kindergarten through grade twelve direct instructional and direct pupil support service functions plus the costs of improvement of instruction and the cost of purchased services and supplies for operation of the facilities housing those programs, and excluding student activities, divided by the sum of the district's current operating cost for kindergarten through grade twelve, plus all tuition revenue received from other districts minus all noncapital transportation and school safety and security costs;

(2) A school district shall show compliance with this section in school year 1998-99 and thereafter by the method described in subsections 1 and 2 of this section, or by maintaining or increasing its fiscal instructional ratio of efficiency compared to its FIRE for the 1997-98 base year.

4. (1) The state board of education may exempt a school district from the requirements of this section upon receiving a request for an exemption by a school district. The request shall show the reason or reasons for the noncompliance, and the exemption shall apply for only one school year. Requests for exemptions under this subdivision may be resubmitted in succeeding years;

(2) A school district may request of the state board a one-time, permanent revision of the base school year certificated salary percentage. The request shall show the reason or reasons for the revision.

5. Any school district requesting an exemption or revision under subsection 4 of this section must notify the certified staff of the district in writing of the district's intent. Prior to granting an exemption or revision, the state board shall consider comments from certified staff of the district. The state board decision shall be final.

6. Any school district which is determined by the department to be in violation of the requirements of subsection 1 or 2 of this section, or both, shall compensate the building-level

administrative staff and nonadministrative certificated staff during the year following the notice of violation by an additional amount which is equal to one hundred ten percent of the amount necessary to bring the district into compliance with this section for the year of violation. In any year in which a penalty is paid, the district shall pay the penalty specified in this subsection in addition to the amount required under this section for the current school year.

7. Any additional transfers from the teachers' or incidental fund to the capital projects fund beyond the transfers authorized by state law and state board policy in effect on January 1, 1996, shall be considered expenditures from the teachers' or incidental fund for the purpose of determining compliance with the provisions of subsections 1, 2 and 3 of this section.

8. The provisions of this section shall not apply to any district receiving state aid pursuant to subsection 6 of section 163.031, RSMo, based on its 1992-93 payment amount per eligible pupil, which is less than fifty percent of the statewide average payment amount per eligible pupil paid during the previous year.

9. The provisions of subsections 1 to 8 of this section shall not apply to any district that has unrestricted fund balances in the combined incidental and teacher funds on June thirtieth of the preceding year which are equal to or less than seventeen percent of the combined expenditure for the preceding year from these funds in any year in which state funds distributed for section 163.031, RSMo, lines 1 to 10 plus line 14 is ninety-six percent or less than such state funds distributed in fiscal year 2002.

10. The provisions of subsections 1 to 8 of this section shall not apply to any district which meet the following criteria:

(1) With ten percent or more of its assessed valuation that is owned by one person or corporation as commercial or personal property who is delinquent in a property tax payment;

(2) With unrestricted fund balances in the combined incidental and teacher funds on June thirtieth of the preceding year which are equal to or less than one half of the local property tax revenue for the previous year; and

(3) In any year in which state funds distributed for section 163.031, RSMo, lines 1 to 10 plus line 14 is ninety-six percent or less than such state funds distributed in fiscal year 2002.

Section B. Because of the need to adequately fund the public schools of this state, section A of this act is deemed necessary for the immediate preservation of the public health, welfare, peace and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and section A of this act shall be in full force and effect upon its passage and approval.

Unofficial

Bill

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